

111TH CONGRESS
1ST SESSION

H. R. 939

To permit 2008 required minimum distributions from certain retirement plans
to be repaid.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 10, 2009

Mr. FRELINGHUYSEN (for himself, Mr. BACHUS, Mr. BARTLETT, Mr. PAUL, Mr. BONNER, Mr. WILSON of South Carolina, Mr. SMITH of Texas, Mr. ROSKAM, Mr. HINCHEY, Mr. ROGERS of Michigan, Mr. JONES, Mr. COBLE, Mrs. BACHMANN, Mr. HOEKSTRA, Mr. DENT, Mr. WOLF, Mr. BOUSTANY, Mr. MCHUGH, and Mrs. MYRICK) introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To permit 2008 required minimum distributions from certain
retirement plans to be repaid.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “IRA Equity for Seniors
5 Act”.

1 **SEC. 2. REPAYMENT OF 2008 REQUIRED MINIMUM DIS-**
2 **TRIBUTIONS.**

3 (a) IN GENERAL.—An individual who received a 2008
4 required minimum distribution may elect to treat one or
5 more contributions to a plan described in subsection (c)
6 made during 2009 as a rollover contribution to which sub-
7 section (d) applies.

8 (b) LIMITATION.—The amount to which subsection
9 (a) applies shall not exceed the lesser of—

10 (1) the 2008 required minimum distribution
11 from such plan, or

12 (2) the amount distributed from such plan dur-
13 ing 2008.

14 (c) 2008 REQUIRED MINIMUM DISTRIBUTION.—For
15 purposes of this section, the term “2008 required min-
16 imum distribution” means the required minimum distribu-
17 tion determined under section 401(a)(9) of the Internal
18 Revenue Code of 1986 for 2008 from—

19 (1) a defined contribution plan which is de-
20 scribed in section 401(k), 403(a), or 403(b) of such
21 Code,

22 (2) a defined contribution plan which is an eli-
23 gible deferred compensation plan described in section
24 457(b) of such Code but only if such plan is main-
25 tained by an employer described in section
26 457(e)(1)(A) of such Code, or

(3) an individual retirement plan (as defined in section 7701(a)(37) of such Code).

(d) TREATMENT AS ROLLOVER CONTRIBUTIONS.—

(1) RECONTRIBUTIONS TO RETIREMENT PLANS OTHER THAN IRAS.—For purposes of the Internal Revenue Code of 1986, if a taxpayer makes an election under subsection (a) with respect to a contribution to a retirement plan described in paragraph (1) or (2) of subsection (c), then the taxpayer shall, to the extent of the amount of the contribution, be treated as having received such payments or distributions in an eligible rollover distribution (as defined in section 402(c)(4) of such Code) and as having transferred the amount to the eligible retirement plan in a direct trustee to trustee transfer within 60 days of the distribution.

(2) RECONTRIBUTIONS TO IRAS.—For purposes of the Internal Revenue Code of 1986, if a taxpayer makes an election under subsection (a) with respect to a contribution to an individual retirement plan (as defined by section 7701(a)(37) of such Code), then, to the extent of the amount of the contribution, such payments or distributions shall be treated as a distribution described in section 408(d)(3) of such Code and as having been transferred to the in-

dividual retirement plan in a direct trustee to trustee transfer within 60 days of the distribution.

(3) OTHER RULES.—The dollar limitations otherwise applicable to contributions to retirement plans described in subsection (c) shall not apply to any contribution made pursuant to the preceding sentence. No deduction shall be allowed for any contribution pursuant to this clause.

(e) CREDIT FOR TAX PAID.—

(1) IN GENERAL.—There shall be allowed against the tax imposed by chapter 1 of the Internal Revenue Code of 1986 for the first taxable year beginning in 2009 an amount equal to the excess of—

(A) the tax liability of the taxpayer under such chapter for taxable year 2008 (determined without regard to subsection (a)), over

(B) the tax liability of the taxpayer under such chapter for taxable year 2008 (determined after the application of subsection (a)).

(2) TREATMENT OF CREDIT.—The credit determined under paragraph (1) shall be treated as a credit allowed under subpart C of part IV of subchapter A of chapter 1 of such Code. For purposes of section 1324(b)(2) of title 31, United States

- 1 Code, such credit shall be treated in the same man-
- 2 ner as a refund of the credit under section 35.

